

EXHIBIT 1

INTRODUCTION

Respondent Ivar Plescov was, at all times relevant to this matter, a Senior Civil Engineer with the California Department of Boating and Waterways. As a Senior Civil Engineer, Respondent was responsible for “project management,” and was therefore a designated employee of the Department of Boating and Waterways (the “Department”), as defined in section 82019, subdivision (c) of the Political Reform Act (the “Act”),¹ and in the conflict of interest code for the Department. Pursuant to the provisions of the Department’s conflict of interest code, and the Act, each designated employee of the Department is required to file an annual statement of economic interests (“SEI”) by April 1st of each year (unless April 1st falls on a Saturday, Sunday, or official holiday, in which case the filing deadline is extended to the next regular business day)² disclosing his or her reportable financial interests during the preceding calendar year.

In this matter, Respondent failed to timely file a 2000 annual statement of economic interests by the April 2, 2001 due date.

This case was handled on an expedited basis, pursuant to the SEI Expedited Procedures adopted by the Commission in July of 1999.

For the purposes of this Stipulation, Respondent’s violation of the Political Reform Act is stated as follows:

As a designated employee of the Department of Boating and Waterways, Respondent Ivar Plescov failed to file a 2000 annual statement of economic interests by April 2, 2001, in violation of section 87300 of the Government Code.

SUMMARY OF THE LAW

An express purpose of the Act, as set forth in section 81002, subdivision (c), is to assure that the assets and income of public officials, which may be materially affected by their official actions, be disclosed, so that conflicts of interest may be avoided.

¹ The Political Reform Act is contained in Government Code sections 81000 through 91014. All statutory references are to the Government Code unless otherwise indicated. Commission regulations appear at 2 California Code of Regulations section 18000, *et seq.* All references to regulations are to Title 2, Division 6 of the California Code of Regulations unless otherwise indicated.

² Regulation 18116.

In furtherance of this purpose, section 87300 requires every agency to adopt and promulgate a conflict of interest code. The agency's conflict of interest code must specifically designate the employees of the agency who are required to file statements of economic interests disclosing their reportable investments, business positions, interests in real property, and other income. Under section 82019, subdivision (c), and section 87302, subdivision (a), the persons who are to be designated in an agency's conflict of interest code are the officers, employees, members and consultants of the agency, whose position with the agency entails making, or participating in making, decisions that may foreseeably have a material effect on a financial interest.

Section 87302, subdivision (b) provides that under an agency's conflict of interest code, each designated employee of the agency must be required to annually file a statement of economic interests, for each year that the employee remains in office, at a time specified in the agency's conflict of interest code, disclosing his or her reportable financial interests during the preceding calendar year.

Under section 87300, the requirements of an agency's conflict of interest code have the force of law, and any violation of those requirements is deemed a violation of the Act.

SUMMARY OF THE FACTS

Respondent Ivar Plescov was hired by the Department of Boating and Waterways in June 1968 as an Assistant Civil Engineer. On May 1, 1987, he was promoted to Senior Civil Engineer. Respondent has filed annual SEI's for as long as the Department has maintained a record of such filings.

In his capacity as a Senior Civil Engineer for the Department, Respondent's job duties included responsibility for "project management." Respondent was therefore a designated employee of the Department, as defined in section 80219, subdivision (c) of the Political Reform Act, and in the conflict of interest code for the Department. Under the Department's conflict of interest code, Respondent was therefore required to file an annual SEI by April 1st of each year (unless April 1st falls on a Saturday, Sunday, or official holiday, in which case the filing deadline is extended to the next regular business day).

On March 6, 2001, the Department sent a memorandum to Respondent reminding him that his annual SEI for the year 2000 would be due no later than April 2, 2001. On April 2, 2001, Kathy Emery, filing officer for the Department, sent an e-mail to Respondent reminding him that his 2000 annual SEI was due that day. In spite of those two reminders, Respondent failed to file his 2000 annual SEI by the April 2, 2001 due date.

On April 17, 2001, Respondent replied to Ms. Emery's April 2, 2001 e-mail message with an e-mail message of his own, stating that, as a Senior Civil Engineer, he is not required to file an annual SEI. Ms. Emery answered this e-mail on April 24, 2001, advising Respondent that he is indeed

required to file an annual SEI and that his failure to timely file a 2000 annual SEI would have to be referred to the Fair Political Practices Commission for action. On April 24, 2001, Respondent sent an e-mail response to Ms. Emery stating that, because he is no longer a supervisor, he is no longer required to file SEI's. On April 25, 2001, Ms. Emery replied with an e-mail to Respondent stating that, whether or not he is a supervisor, he is required to file SEI's, as are all engineers in the Department, because he is a project manager. On May 2, 2001, Ms. Emery referred the matter to the Enforcement Division of the Fair Political Practices Commission.

On May 21, 2001, Commission Investigator Bonnie Swaim called Respondent by telephone, to discuss Respondent's failure to file a 2000 annual SEI. Respondent stated during the call that because the conflict of interest code for the Department does not specifically list his job classification he is not required to file an annual SEI. Investigator Swaim explained in response that the Department's conflict of interest code lists "project managers" as designated employees who must file annual SEI's, and because Respondent is a project manager, his department has determined that he must file annual SEI's.

On September 13, 2001, Respondent met with Enforcement Division Investigator Dan Schek and signed both his year 2000 annual SEI and his Leaving Office Statement. Both statements were filed with the appropriate filing officer that same day.

CONCLUSION

This matter consists of one count, which carries a maximum possible administrative penalty of five thousand dollars (\$5,000). However, under the SEI expedited procedures adopted by the Commission in July of 1999, the approved administrative penalty for a non-filer that files a delinquent annual statement of economic interests, after being contacted by an Enforcement Division attorney is between Four Hundred and Six Hundred Dollars (\$400-\$600) per count.

The facts of this case, including the many notifications that Respondent received regarding his duty to file his 2000 annual statement of economic interests, justify imposition of the agreed upon penalty of Six Hundred Dollars (\$600).